



# WISCONSIN REGULATORY DIGEST

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**A Publication of the  
DEPARTMENT OF REGULATION AND LICENSING  
FOR CHARITABLE ORGANIZATIONS, PROFESSIONAL FUND-RAISERS  
Volume 10, No. 2 AND FUND-RAISING COUNSEL June, 1998**

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## **Status of Statutory Changes**

In the last issue of the Regulatory Digest we told you about our proposal to change the laws which pertain to the registration of fund-raising counsel. We were not able to get our proposal drafted and introduced in this legislative session. We have solicited the comments of several other agencies and will consider whether we should advance our proposal in the next legislative session. We are grateful to those of you who took the time to call us or send a letter, offering your comments and suggestions. It's nice to know that you are reading our regulatory digests.

## **Pilot Project Employee Hired by the Department**

The Department has obtained funding for hiring a pilot project employee to carry out some special kinds of projects relating to the regulation of fund-raising counsel and charitable organizations. Our new employee, Theresa Cuccia, will be carrying out the following activities at least until the end of September:

1. Obtain a computer printout of all registered charitable organizations whose fund-raising expenses exceed a certain percentage threshold.

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## **CHARITABLE ORGANIZATIONS, PROFESSIONAL FUND-RAISERS AND FUND-RAISING COUNSEL**

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### **Case Screeners and Advisors:**

Thomas L. Heine (Madison)  
Howard M. Schwartz (Brookfield)

### **Administrative Staff:**

Cletus J. Hansen, Division Administrator

### **Executive Staff:**

Marlene A. Cummings, Secretary  
Patricia McCormack, Deputy Secretary  
Myra Shelton, Executive Assistant

2. Review the financial reports of charitable organizations whose fund-raising expenses exceed the threshold.
3. Prepare a form letter to send to the above-described organizations, pointing out that we are inclined to assume that their fund-raising costs result in misrepresentation about soliciting donations for the cause for which the organization exists, unless the organization provides more information to refute that conclusion.
4. Determine whether these organizations are in total compliance with the disclosure requirements in s. 440.455, Stats.
5. Forward seriously-problematic cases to the Department's Division of Enforcement for possible formal action.
6. Review the files of various cancer organizations. Review their statements concerning their purpose of existence. Seek clarifications from the organizations when needed. Review their expenditures.
7. Review the files of organizations which claim they are acting as fund-raising counsel, rather than professional fund-raisers. Send letters to fund-raising counsel who may be acting as professional fund-raisers. Refer unacceptable responses to the Division of Enforcement.
8. Consult with other states, especially our neighboring states, such as Minnesota, concerning what they are working on and what kinds of projects they may be involved in which are similar to those we would like to undertake.

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Department of Regulation and Licensing  
Charitable Organizations and  
Professional Fund-Raisers  
P.O. Box 8935  
Madison, WI 53708-8935

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9. Explore other ways to address the accuracy of statements of organizations concerning their purpose of existence.
10. Assist in the preparation of press releases concerning findings.
11. Assist in the preparation of a final report to the Joint Committee on Finance.
12. Search for information in several charities-related Web sites concerning acceptable standards for charitable organizations. Compare filings of some organizations with those filed in Wisconsin. Follow-up on discrepancies. Search for any other ideas in other states' Web sites that would be helpful to our regulation. Note, especially, the Web sites of Minnesota and Maryland. Also note the Web sites of the Independent Sector and the National Charities Information Bureau.

Ms. Cuccia has already completed some of these activities. She has more to do. Perhaps, you will be hearing from her.

## Renewal of Registration

The Department sends renewal notices to all registered charitable organizations in the second half of June. The renewal deadline is August 1 of each year. Registrants who do not file a renewal application may not solicit contributions after August 1 until they subsequently file an application and receive a renewed registration. The

renewal fee is \$15. Any organization which files after August 1 will be required to pay \$15, **plus a \$25 late application fee.**

## Telephones

The Division of Business Licensure & Regulation has a menu telephone system which is designed to more efficiently direct the caller to the appropriate section. The telephone number for staff is:

**(608) 266-5511**

After dialing this number you are asked to press various menu choices. For the following requests, please press numbers as noted:

<b>Application Forms</b>	<b>Press 11</b>
<b>Complaints Against Registrants</b>	<b>Press 12</b>
<b>Whether A Person is Registered</b>	<b>Press 21</b>
<b>Change of Address or Name</b>	<b>Press 21</b>
<b>Application Processing &amp; Requirements</b>	<b>Press 441</b>
<b>Financial Reports</b>	<b>Press 442</b>

## Visit the Department's Web Site

<http://badger.state.wi.us/agencies/drl/>  
Send comments to [dorl@mail.state.wi.us](mailto:dorl@mail.state.wi.us)

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